

neobank

Quarterly Reports

PT Bank Neo Commerce Tbk terdaftar dan diawasi oleh OJK dan merupakan bank peserta LPS yang menjamin simpanan setiap nasabah hingga Rp2 miliar dengan bunga maksimal 3,5%.



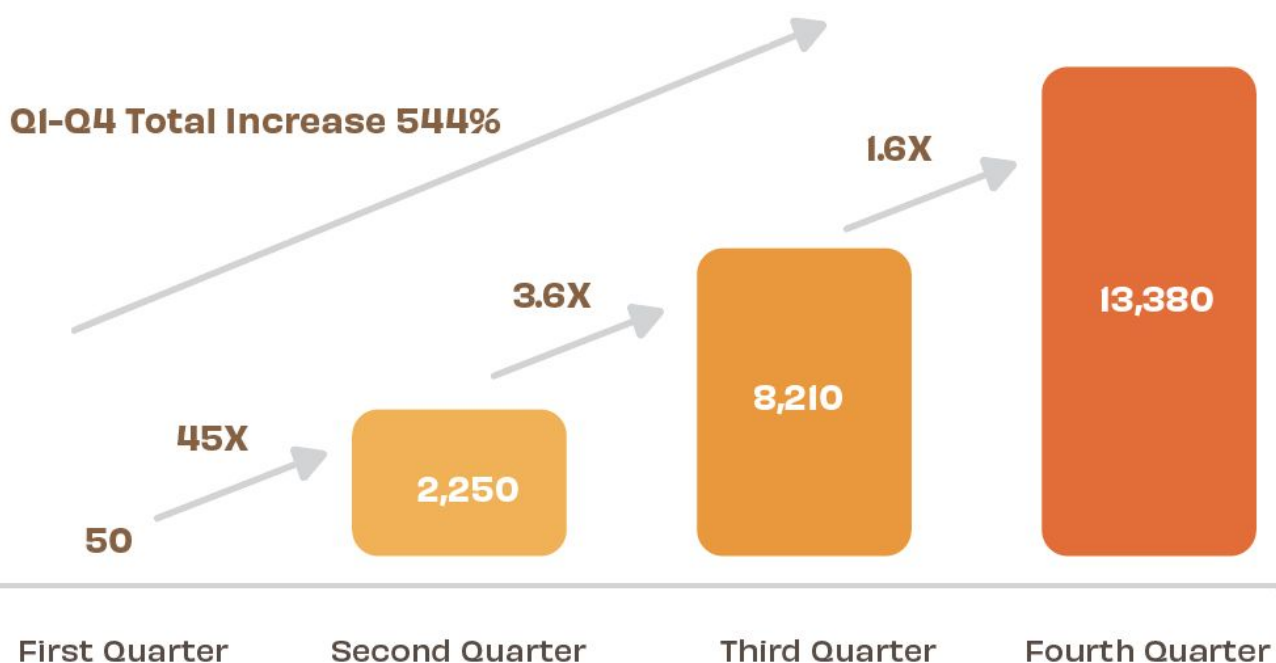
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2021 Q4 Growth Performance

The number of users continued to grow, **active users and transactions increased significantly.**

- By the end of Q4, the total number of neobank account users exceeded 13.3 million.
- There were 5.17 million new open account users in Q4, an increase of 63% compared to the end of Q3.

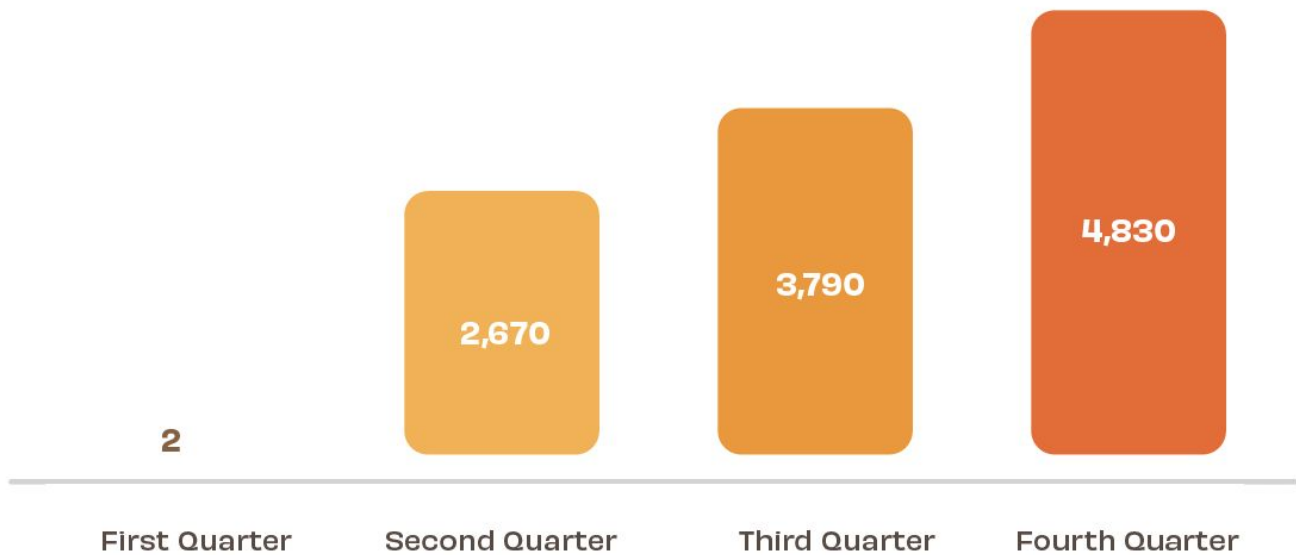
Number of Open Account Users Quarterly 2021 (Thousand)



- Besides acquiring users, we put more focus on **adding more product functions and fun innovations** in Q4 to stimulate user activity and increase transactions.
 - In terms of **payment and transaction scenarios**, we have launched features which better meet the daily payment and transaction needs of users:
 - These features include phone credit top up and bills payment, VA payment, and QR code transfer.
 - In terms of **combining product functions with interactive elements**, we have launched:
 - The chatting function on the neobank app. This allows users to quickly complete transfers while interacting with each other or even starting a group chat room, which can help to complete multiple accounts transfer more easily.
 - The Neo World interactive game that is based on our users' profiles and product functions. The game can lead our users to make payments, savings and try other functions of the neobank app in a fun way, and it greatly increases the frequency of interactions between users. By now, about 400,000 users participate in the game every day.

- Through the above strategies, Q4 achieved **significant growth in MAU and DAU**:
 - Q4 average monthly MAU reached **4.83 million**, an increase of **27%** compared to Q3; Q4 average DAU reached **1.8 million**, an increase of **112%** over Q3.

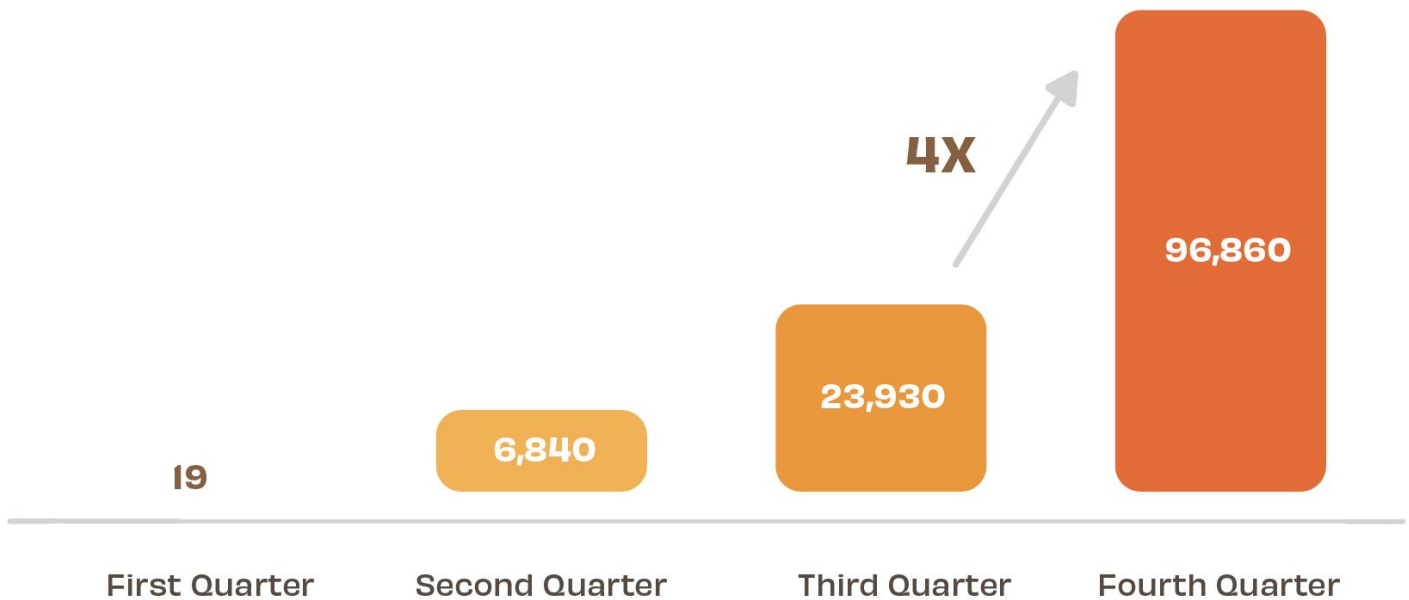
2021 Monthly Active User (Thousand)



- Among all the active users, **transaction users** accounted for more than 50% and the monthly transactions per user reached **17.4 times** on average, up by **240%** when compared to Q3. These users show great loyalty to BNC, proven by **the second-month retention rate as high as 80%**. Currently, more than 80% of those transactions are coming from payment, fund transfer and Payment Point Online Bank (PPOB).
 - Since the launch of PPOB services in December 2021, the number of transactions per user has been boosted, from 5.1 times per user in Q3 to 21.7 times per user, an increase of 300%.

- The average **daily number of transactions** in the end of Q4 was **1.64 million**, a net increase of **200%** compared to the average daily transactions of 0.48 million at the end of Q3; the daily transaction amount of Q4 reached US\$34 million (equivalent to IDR487.21 billion), a net increase of 200% compared to Q3.
- For Q4, the **total number of transactions** exceeded **96.86 million**, a net increase of **300%** compared to 23.93 million in Q3. The total transaction amount in Q4 reached **US\$2.54 billion** (equivalent to IDR36.39 trillion), a net increase of **150%** compared to Q3.

Total Transaction Quarterly 2021 (Thousand)



Total Transaction Amount Quarterly 2021 (Thousand)



- In terms of savings, neobank's main products are Neo Now (6% p.a. saving interest) and Neo Wow (6.5%-8% p.a. time-deposit starting from a 7-day deposit). Besides attracting high net worth users, **the products have also attracted a second type of customer, the Aspiring Saving User.**
 - In addition to getting extra interest income, these users also value the flexibility of funds, the convenient access at any time, and the overall experience.

- At the end of Q4, among all the active users, **wealth management users** also took up 30%.
 - In Q4, on average, users make **5.7 savings or deposits** to their neobank accounts per month, an increase of **43%** compared to 4 times in Q3. In other words, **users make one saving or deposit to their neobank accounts every five days.**
- The total neobank **account balance** of Q4 maintained a high growth momentum, growing from \$140 million in Q3 to **\$264 million** (equivalent to IDR3.77 trillion), **an increase of nearly double;**

neobank Balance 2021 (Million)



NOT INCLUDES OFFLINE THIRD PARTY BALANCE

Other highlights in 2021



Other highlights in 2021

● TECHNOLOGY

- In 2021, the BNC technical team is committed to **build a complete and efficient multiple business system**; from core system, middle platform to front-end. At present, it has a relatively complete modular system function, which can support the rapid launch of new features of the business.
 - In Q4 neobank app is able to release 2 major application versions every week and each of it contains at least 20 requirements or features.
- Through **database architecture upgrade and distributed application transformation**, BNC system storage capacity and concurrency capability is improved. Now it can easily support tens of millions of accounts and millions of transactions per day on average, and achieve a transaction success rate of more than 99.99%.
 - In addition, to ensure that under abnormal circumstances the banking system is still available and the data is secure, BNC implemented a multi-center server, complete monitoring system, and disaster recovery plan for application and data.

Other highlights in 2021

- BNC has initially **built its own big data platform** (including offline, real-time data warehouses and user portrait system, feature platform system, model platform and rule engine system) based on the existing 30 millions+ product accounts data, the daily average of million of transactions data, and the daily average of hundred millions of user's activity records.

We also apply big data systems to BNC's security detection, transaction risk control, user operation and many other scenarios. Therefore, **greatly improve the security** of users, accounts, funds and accommodate users' personal demand better.

● OPEN BANKING

- Based on neobank app's online account opening, payment, transfer, loan and other banking capabilities:
 - In 2021, we have **built a standard Open AI** that can provide account and transaction solutions according to the business partners' demand.
 - In 2022, we are **engaging with partners like e-wallets, e-commerce, OTA, insurance, and many other industries**, leveraging on open banking services to serve their end-users, to generate values to our partners in terms of service scenarios, user retention and GMV.

What to expect from

neobank



in 2022

What to expect from neobank in 2022

1. We will continue to enrich and expand neobank app usage scenarios.

a. Payment

In addition to improving external payment capabilities such as QRIS and fast payment, we are actively seeking partners to provide users with multiple services including e-commerce, travel, medical care and more.

b. Wealth Management

We will introduce more wealth management products in Q1-Q2 this year to meet the needs of different user types in addition to saving and deposits, such as funds, stocks, insurance, gold and other products.

At the same time, we will build an interactive communication platform for wealth management customers within the app itself.

c. Loans

We will launch digital loan products on neobank app in H1, with the goal to provide loan services to at least 30% of neobank app users by the end of the year.

What to expect from neobank in 2022

2. Remain focused on creating more interesting and innovative financial interactions.

- In 2021, we verified the user's demand for the combination of finance and fun from the growth data.
- In 2022, we hope to provide users with a more convenient and interesting product experience.

3. Exploration of merchant services.

- Among the account-opening users in 2021, there are more than 100,000 SMEs. We know that they have many needs for financial and operational services like collection accounts, business tools and traffic that have not been met by market service providers.
- This year, we plan to provide them with a one-stop solution that combines payment, operation and user access.

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